

July 7, 2003

Secretary Roderick Bremby  
Kansas Department of Health and Environment  
Charles Curtis State Office Building  
1000 SW Jackson  
Topeka, KS 66612

Dear Secretary Bremby:

We have determined that your State's application for Fiscal Year (FFY) 2003 funds, under Part C of the Individuals with Disabilities Education Act (Part C), can be approved. Therefore, I am enclosing your State's Part C grant award.

The approval is based upon our receipt of your assurances for FFY 2003. This includes the assurance from the Kansas Department of Health and Environment (DHE) that the statewide system of early intervention services required by Part C and its implementing regulations is in effect.

This year, a number of States have either established systems of payments or are considering establishing or revising their systems of payments. Under 34 CFR §303.173(a), each State's Part C application must include the State's policies and procedures that identify: (1) how it will pay for early intervention services (under 34 CFR §303.520(a)); (2) any system of payments that the State chooses to establish (under 34 CFR §303.521(a)); and (3) all funding sources (under 34 CFR §303.522). Although a State is not required under Part C to access public and private insurance available to a family, if a State requires parents under Part C to access their public and/or private insurance, the State must include this information in its Part C application as well as an assurance, under 34 CFR §303.520(b)(3)(ii), that the inability of a parent to pay will not result in the denial of any service under Part C.

States must ensure that all of the functions and early intervention services under 34 CFR §303.521(b) are carried out at public expense (i.e., no cost to the family). Additionally, under 34 CFR §303.521(c), States that provide children with disabilities under age 3 with a free appropriate public education (FAPE) under State law (i.e., birth-mandate States) must ensure that no fees are charged for the FAPE services provided to these children and their families. If a State has a system of payments under 34 CFR §303.521(a), any parent fees collected (for co-payments or other fees for services charged and received by the State's Part C program) are "program income" under 34 CFR §80.25. Program income is not included as part of total "State and local expenditures" for purposes of a State's meeting the non-supplanting requirements under Part C at 20 U.S.C. §1437(b)(5)(B) and 34 CFR §303.124.

Section I.C. of the Federal Fiscal Year (FFY) 2003 application for Part C funds requested updated information about each State's restricted indirect cost rate. DHE submitted the following information in Part III of its FFY 2003 Part C Application indicates, "Since application FFY2002, an indirect cost rate has been approved by the State's Cognizant Federal agency and will be in effect for this Fiscal Year. The rate is 8.167%." Consistent with 34 CFR Part 76, DHE shall apply a restricted indirect cost rate of 8.167% throughout its FFY 2003 Part C grant period or, as set forth in Part III of the FFY 2003 Application, "until a new rate or plan is negotiated and approved by the State's cognizant agency." Please forward to OSEP the restricted indirect cost rate agreement approved by your cognizant agency when it is signed.

The enclosed grant award for FY 2003 is made with the continued understanding that this Office may, from time to time, require clarification of information within your application and appendices, if necessary. These inquiries are needed to allow us to appropriately carry out our administrative responsibilities related to Part C.

We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,

/s/ Patricia J. Guard for

Stephanie S. Lee  
Director  
Office of Special Education Programs

Enclosure

cc: Peggy Miksch  
Part C Coordinator